

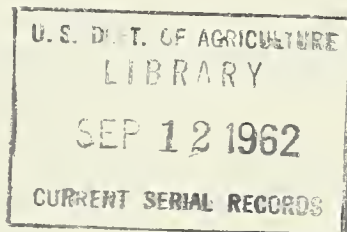
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WORLD LARD PRODUCTION, TRADE AND OUTLOOK

Production

World lard production for 1961 in the major producing countries is estimated at 7,350 million pounds, up 2 percent from 7,210 million pounds in 1960.

U.S. production dropped for the second straight year. In 1961, hog slaughter was down 2 percent, while average yield-per-hog increased slightly. Slaughter is expected to rise 1-1/2 percent in 1962, indicating larger lard production.

Output in South America was unchanged from 1960 as the drop in Argentina was offset by gains elsewhere in Latin America.

Western European production continued at record levels. Further increase seems likely over the next few years in response to the favorable stimulus of the Common Market's agricultural policy.

Production was reported to be up about 4-1/2 percent in Eastern Europe with most of the gain centered in Poland and Yugoslavia. Soviet production is estimated to have risen sharply in recent years as hog numbers and pork production have increased.

World lard production will probably increase again in 1962 because of higher output in the United States, Europe, and the U.S.S.R.

Trade

World lard exports in 1961 were estimated at 729 million pounds, down about 20 percent from 1960.

U.S. exports totaled 419 million pounds, one-third less than in 1960, and accounted for 57 percent of world exports. In recent years, U.S. exports have averaged about 70 percent of all lard entering world trade.

The Netherlands, second largest exporter, increased its exports to 144 million pounds. Larger amounts went to Cuba after U.S. shipments ceased in July 1961. The Netherlands exports accounted for nearly 20 percent of world trade in 1961, up from 13 percent in 1960.

France, third ranked exporter, continued to expand lard exports in 1961 and shipped 97 million pounds, 3 percent more than 1960.

U.S. exports dropped one-third from 1960. The Cuban market was closed after 43 million pounds were shipped through July 1961. Cuba formerly accounted for an annual average of 175 million pounds.

The U.K. market increased in importance though not in size during 1961. The United Kingdom formerly took from one-fourth to nearly one-half of U.S. lard exports. In 1961, although the total amount taken was smaller, two-thirds of U.S. lard exports went to the United Kingdom. The proportion may be somewhat higher in 1962 since other traditional markets will probably remain about the same, and there is no large alternative market to replace Cuba.

The United Kingdom purchased 20 percent less lard from the United States in 1961. U.S. prices were relatively high during the early months, encouraging substitutions by margarine manufacturers and other end users. Prices became more competitive by midyear, and exports to the United Kingdom picked up, although not enough to offset the earlier declines.

For the first 5 months of 1962, U.S. lard exports totaled 179 million pounds, 2 million pounds under the 5-month total last year. Shipments to the United Kingdom during the 5-month period were 149 million (83 percent of the total) up 37 percent from January-May 1961.

Outlook

Total trade in lard will probably remain at about the same level as 1961. U.K. imports are currently running nearly 40 percent above 1961, offsetting decreased Cuban imports. Other importing countries are expected to purchase about the same amounts as in 1961.

In the long run, U.S. lard exports may be sharply reduced. The United Kingdom is currently negotiating with member countries the provisions under which it will join the European Economic Community. U.S. lard now enters the United Kingdom duty-free. Under the proposed common agricultural policy, the common external tariff for lard will be 20 per-cent ad valorem. Lard will also be subject to a complicated variable levy and gate price system. With no duty on trade between members, U.S. lard will face an almost insurmountable barrier unless more satisfactory arrangements can be negotiated.

It is not likely that the Common Market with the United Kingdom as a member will be self-sufficient in lard. However, U.S. lard would hardly find a market in the EEC before all exportable surpluses were shipped from France, the Netherlands, Belgium, and possibly Denmark, now also seeking membership in the Community.

Table 1.--LARD: World exports, U.S. exports, and U.S. production,
average 1935-39 and 1951-55, annual 1953-61

Year	Estimated world exports	United States			
		Exports	Exports as percent of world exports	Pro- duction	Exports as percent of production
	Million <u>pounds</u>	Million <u>pounds</u>	<u>Percent</u>	Million <u>pounds</u>	<u>Percent</u>
Average:					
1935-39.....	360	166	46	1,630	10
1951-55.....	709	555	78	2,618	21
Annual:					
1953.....	560	423	76	2,355	18
1954.....	624	465	75	2,330	20
1955.....	784	562	72	2,660	21
1956.....	799	611	76	2,757	22
1957.....	772	501	65	2,547	20
1958.....	660	389	59	2,426	16
1959.....	861	604	70	2,780	22
1960.....	897	620	69	2,563	24
1961 <u>1</u> /.....	729	419	57	2,517	17

1/ Preliminary.

LARD 1/: Estimated production in specified countries, average 1951-55,
annual 1958-61

Continent and country	Average 1951-55	1958	1959	1960 <u>2/</u>	1961 <u>2/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
North America:					
Canada.....	128	145	185	147	137
Mexico <u>3/</u>	51	84	76	82	83
United States.....	2,660	2,426	2,780	2,563	2,517
Total North America <u>4/</u>	2,890	2,710	3,090	2,840	2,790
South America:					
Argentina <u>5/</u>	49	60	54	58	46
Brazil.....	134	199	172	192	194
Chile.....	21	23	24	26	33
Colombia.....	26	27	28	29	30
Total South America <u>4/</u>	270	350	320	350	350
West Europe:					
Austria.....	73	82	80	82	82
Belgium-Luxembourg.....	29	32	40	40	40
Denmark.....	46	54	61	72	73
France.....	127	164	174	168	170
Germany, West <u>6/ 7/</u>	402	545	575	600	585
Italy.....	70	76	80	90	99
Netherlands.....	22	26	29	34	35
Portugal.....	55	58	61	45	46
Spain.....	17	21	23	21	20
Sweden.....	15	19	19	21	20
United Kingdom.....	13	22	20	25	27
Total West Europe.....	910	1,135	1,194	1,230	1,230
East Europe:					
Bulgaria <u>5/ 7/</u>	45	68	63	66	70
Czechoslovakia <u>5/ 7/</u>	128	198	182	183	183
Germany, East <u>5/ 7/</u>	172	204	186	185	185
Hungary <u>5/ 7/</u>	102	102	111	114	114
Poland <u>5/ 7/</u>	352	515	477	502	529
Yugoslavia <u>5/ 7/</u>	149	218	288	276	304
Total East Europe.....	950	1,310	1,310	1,330	1,390
Total Europe <u>4/</u>	1,860	2,440	2,500	2,560	2,600
U.S.S.R. (Europe and Asia) <u>5/ 7/</u>	750	1,050	1,180	1,300	1,430
Other countries:					
South Africa, Republic of <u>5/ 7/</u>	16	15	19	<u>8/</u> 21	<u>8/</u> 23
Japan <u>7/</u>	30	64	73	59	84
Total other countries <u>4/</u>	100	160	170	160	180
Total world <u>4/</u>	5,870	6,710	7,260	7,210	7,350

1/ Estimates of rendered lard, except where otherwise noted. 2/ Preliminary. 3/ Commercial.
4/ Includes estimates for minor producing countries not shown. 5/ Calculated from pork production.
6/ Includes West Berlin, Saarland included from July 1959. 7/ Includes unrendered pork fat in terms
of lard. 8/ Includes farm production.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign government, other foreign source material, reports of United States agricultural attaches and other representatives abroad, results of office research and related information.

Table 3.--LARD: Exports from specified countries,
average 1951-55, annual 1958-61

Country	Average 1951-55	1958	1959	1960	1961 ^{1/}
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United States.....	555	389	604	620	419
Netherlands ^{2/}	61	107	97	114	144
France.....	14	66	78	94	97
Argentina.....	11	31	22	22	24
Denmark.....	36	34	24	20	27
Belgium-Luxembourg.....	26	25	20	19	11
Sweden.....	2	7	7	6	6
Canada.....	4	1	9	2	1
Total.....	709	660	861	897	729

^{1/} Preliminary. ^{2/} Includes lard processed from imported greases.

Table 4.--LARD: Imports into specified countries,
average 1951-55, annual 1958-61

Country	Average 1951-55	1958	1959	1960	1961 ^{1/}
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom.....	132	256	377	453	385
Cuba.....	159	165	210	190	^{2/} 80
Germany, West.....	92	55	64	53	51
Peru.....	19	38	37	40	33
Japan.....	4	15	31	39	19
Canada.....	6	6	4	21	25
Belgium-Luxembourg.....	18	20	21	16	24
Mexico.....	32	15	11	11	9
Costa Rica.....	11	11	11	10	^{3/} 4
Guatemala.....	10	12	10	5	^{4/} 4
Austria.....	42	11	3	1	0
Netherlands.....	7	1	---	1	2
Yugoslavia.....	76	48	22	0	^{4/} 4
Total.....	608	653	801	840	632

^{1/} Preliminary. ^{2/} U.S. exports 43 million pounds and Netherlands 37.
^{3/} January-September. ^{4/} Less than million pounds.

Table 5.--LARD (INCLUDING RENDERED PORK FAT): U.S. exports
by country of destination, average 1951-55, annual 1958-61

Country	Average 1951-55	1958	1959	1960	1961 ^{1/}
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom.....	125	146	275	349	278
Cuba.....	157	165	217	190	43
Canada.....	6	5	4	21	22
Germany, West.....	56	11	40	16	19
Mexico.....	32	15	11	9	12
Haiti.....	7	7	8	8	8
Costa Rica.....	7	2	5	4	3
Guatemala.....	8	3	8	3	^{2/}
El Salvador.....	4	3	3	3	2
Bolivia.....	4	1	6	3	4
Peru.....	13	1	5	1	3
Netherlands.....	33	---	2	1	5
Yugoslavia.....	38	15	8	---	---
Austria.....	24	1	---	---	---
Other countries.....	41	14	12	12	18
Total.....	555	389	604	620	417

^{1/} Preliminary. ^{2/} Less than 500,000 pounds.

Table 6.--LARD: Netherlands exports by country of destination,
average 1951-55, annual 1958-61

Country	Average 1951-55	1958	1959	1960	1961 ^{1/}
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Peru.....	2	27	31	36	34
Japan.....	1	14	23	27	17
Germany, West.....	8	19	12	17	16
United Kingdom.....	2	25	13	9	7
Costa Rica.....	---	8	5	4	---
Guatemala.....	1	7	1	---	---
Yugoslavia.....	23	---	---	---	---
Hungary.....	3	---	---	2	7
Other countries.....	21	7	12	19	26
Cuba.....	---	---	---	---	37
Total.....	61	107	97	114	144

^{1/} Preliminary.

Table 7.--LARD: French exports by country of destination,
average 1951-55, annual 1958-61

Country	Average 1951-55	1958	1959	1960	1961 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom.....	---	37	46	52	57
Belgium-Luxembourg.....	---	11	15	21	10
Germany, West.....	6	8	9	9	6
Reunion Islands.....	3	3	5	5	5
Other countries.....	5	7	3	7	<u>2/20</u>
Total.....	14	66	78	94	98

1/ Preliminary. 2/ Includes 5.9 million pounds to Cuba, 4.7 million pounds to Hungary and 2.7 million pounds to the Netherlands.

Table 8.--LARD: Danish exports by country of destination,
average 1951-55, annual 1958-61

Country	Average 1951-55	1958	1959	1960	1961 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom.....	13	22	18	15	15
Germany, West.....	6	7	3	3	5
Hungary.....	3	---	---	---	4
Austria.....	5	---	---	---	---
Germany, East.....	4	---	---	---	---
Other countries.....	5	5	3	2	3
Total.....	36	34	24	20	27

1/ Preliminary.

Table 9.--LARD: United Kingdom imports by country of origin,
average 1951-55, annual 1958-61

Country	Average 1951-55	1958	1959	1960	1961 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United States.....	122	144	281	355	294
France.....	---	35	41	50	40
Belgium-Luxembourg.....	---	24	11	16	11
Denmark.....	5	22	18	16	15
Netherlands.....	3	25	12	10	10
Sweden.....	---	---	3	3	2
Canada.....	1	1	10	2	1
Other countries.....	1	5	1	1	<u>2/ 12</u>
Total.....	132	256	377	453	385

1/ Preliminary. 2/ Includes 9.6 million pounds from Poland.

Table 10.--LARD: West German imports by country of origin,
average 1951-55, annual 1958-61

Country	Average 1951-55	1958	1959	1960	1961 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Netherlands.....	10	19	12	17	16
United States.....	60	10	33	12	9
France.....	8	7	9	11	7
Belgium-Luxembourg.....	2	1	4	7	4
Denmark.....	7	7	3	3	5
Poland.....	---	9	1	1	5
Other countries.....	5	2	2	2	5
Total.....	92	55	64	53	51

1/ Preliminary.

Table 11.--LARD: Peruvian imports by country of origin,
average 1951-55, annual 1958-61

Country	Average 1951-55	1958	1959	1960	1961 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Netherlands.....	4	27	31	38	34
Argentina.....	2	10	1	<u>2/</u>	<u>2/</u>
United States.....	13	1	4	2	3
Other countries.....	---	---	1	---	---
Total.....	19	38	37	40	37

1/ Preliminary. 2/ Less than million pounds.

Table 12.--LARD: Japanese imports by country of origin,
average 1951-55, annual 1958-61

Country	Average 1951-55	1958	1959	1960	1961 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Netherlands.....	2	14	20	29	18
United States.....	2	---	4	10	---
Other countries.....	---	1	7	---	1
Total.....	4	15	31	39	19

1/ Preliminary. 2/ Less than million pounds.



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